

[First Reprint]

ASSEMBLY, No. 770

STATE OF NEW JERSEY

213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

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SYNOPSIS

Extends payment of accidental death benefit in PFRS, SPRS, PERS and TPAF to survivors of certain members of reserve component of Armed Forces and National Guard.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on October 6, 2008, with amendments.

(Sponsorship Updated As Of: 2/6/2009)

1 AN ACT concerning accidental death benefits under the Police and
 2 Firemen's Retirement System ¹, the State Police Retirement
 3 System, the Public Employees' Retirement System and the
 4 Teachers' Pension and Annuity Fund,¹ and amending P.L.1944,
 5 c.255¹, P.L.1965, c.89, P.L.1955, c.251, and Title 18A of the
 6 New Jersey Statutes¹ .

7
 8 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 9 *of New Jersey:*

10
 11 1. Section 10 of P.L.1944, c.255 (C.43:16A-10) is amended to
 12 read as follows:

13 10. (1) Upon the death of a member in active service as a result
 14 of:

15 (a) an accident met in the actual performance of duty at some
 16 definite time and place, or

17 (b) service in the reserve component of the Armed Forces of the
 18 United States or the National Guard in a federal active duty status,
 19 and such death was not the result of the member's willful
 20 negligence, an accidental death benefit shall be payable if a report
 21 of the accident is filed in the office of the retirement system within
 22 60 days next following the accident, but the board of trustees may
 23 waive such time limit, for a reasonable period, if in the judgment of
 24 the board the circumstances warrant such action. No such
 25 application shall be valid or acted upon unless it is filed in the
 26 office of the retirement system within five years of the date of such
 27 death.

28 The provisions of this subsection shall also apply to a member
 29 who is a fireman and who dies as a result of an accident met in the
 30 actual performance of duty as a volunteer fireman in any
 31 municipality in the State, provided the member's death was not the
 32 result of the member's willful negligence.

33 (2) Upon the receipt of proper proofs of the death of a member
 34 on account of which an accidental death benefit is payable, there
 35 shall be paid to his widow or widower a pension of 70% of the
 36 compensation, upon which contributions by the member to the
 37 annuity savings fund were based in the last year of creditable
 38 service, for the use of herself or himself and the children of the
 39 deceased member; if there is no surviving widow or widower or in
 40 case the widow or widower dies, 20% of such compensation will be
 41 payable to one surviving child, 35% of such compensation to two
 42 surviving children in equal shares and if there be three or more
 43 children, 50% of such compensation will be payable to such
 44 children in equal shares.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted October 6, 2008.

1 If there is no surviving widow, widower or child, 25% of the
2 compensation upon which contributions by the member to the
3 annuity savings fund were based in the last year of creditable
4 service, will be payable to one surviving dependent parent or 40%
5 of such compensation will be payable to two surviving parents in
6 equal shares.

7 In the event of accidental death occurring in the first year of
8 creditable service, the benefits, payable pursuant to this subsection,
9 shall be computed at the annual rate of compensation.

10 (3) If there is no surviving widow, widower, child or dependent
11 parent, there shall be paid to any other beneficiary of the deceased
12 member, his aggregate contributions at the time of death.

13 (4) In no case shall the death benefit provided in subsection (2)
14 be less than that provided under subsection (3).

15 (5) In addition to the foregoing benefits payable under subsection
16 (2) or (3), there shall also be paid in one sum to such beneficiary, if
17 living, as the member shall have nominated by written designation
18 duly executed and filed with the retirement system, otherwise to the
19 executor or administrator of the member's estate, an amount equal
20 to 3 1/2 times the compensation upon which contributions by the
21 member to the annuity savings fund were based in the last year of
22 creditable service.

23 (6) In addition to the foregoing benefits, the State shall pay to the
24 member's employer-sponsored health insurance program all health
25 insurance premiums for the coverage of the member's surviving
26 widow or widower and dependent children.

27 (cf: P.L.2003, c.181, s.2)

28
29 '2. Section 14 of P.L.1965, c.89 (C.53:5A-14) is amended to
30 read as follows:

31 14. a. Upon the death of a member in active service as a result
32 of:

33 (1) an accident met in the actual performance of duty at some
34 definite time and place, or

35 (2) service in the reserve component of the Armed Forces of the
36 United States or the National Guard in a federal active duty status,

37 and such death was not the result of the member's willful
38 negligence, an accidental death benefit shall be payable if a report
39 of the accident is filed in the office of the Division of State Police
40 within 60 days next following the accident, but the board of trustees
41 may waive such time limit, for a reasonable period, if in the
42 judgment of the board the circumstances warrant such action. No
43 such application shall be valid or acted upon unless it is filed in the
44 office of the retirement system within five years of the date of such
45 death.

46 b. (1) Upon the receipt of proper proofs of the death of a
47 member on account of which an accidental death benefit is payable,

1 there shall be paid to the surviving spouse a pension of 70% of final
2 compensation or of adjusted final compensation, as appropriate, for
3 the use of that spouse and children of the deceased, to continue for
4 as long as the person qualifies as a "surviving spouse" for the
5 purposes of this act. If there is no surviving spouse or in case the
6 spouse dies, 20% of final compensation or of adjusted final
7 compensation, as the case may be, will be payable to one surviving
8 child, 35% of final compensation or of adjusted final compensation,
9 as the case may be, to two surviving children in equal shares and if
10 there be three or more children, 50% of final compensation or of
11 adjusted final compensation, as the case may be, will be payable to
12 such children in equal shares.

13 If there is no surviving spouse or child, 25% of final
14 compensation will be payable to one surviving parent or 40% of
15 final compensation will be payable to two surviving parents in
16 equal shares.

17 As used in this paragraph, "adjusted final compensation" means
18 the amount of final compensation or final compensation as adjusted,
19 as the case may be, increased by the same percentage increase
20 which is applied in any adjustments of the compensation schedule
21 of active members after the member's death and before the date on
22 which the deceased member of the retirement system would have
23 accrued 25 years of service under an assumption of continuous
24 service, at which time the amount resulting from such increases
25 shall become fixed and shall be the basis for adjustments pursuant
26 to the Pension Adjustment Act, P.L.1958, c.143 (C.43:3B-1 et seq.).
27 Any adjustments to final compensation or adjusted final
28 compensation shall take effect at the same time as any adjustments
29 in the compensation schedule of active members. The provisions of
30 the Pension Adjustment Act shall not apply to any pension based
31 upon adjusted final compensation other than the fixed pension in
32 effect at the conclusion of the 25-year period.

33 (2) In the event of accidental death occurring in the first year of
34 creditable service, the benefits, payable pursuant to this subsection,
35 shall be computed at the annual rate of compensation.

36 c. If there is no surviving spouse, child or parent, there shall be
37 paid to any other beneficiary of the deceased member, his aggregate
38 contributions at the time of death.

39 d. In no case shall the death benefits provided in subsection b.
40 be less than that provided under subsection c.

41 e. In addition to the foregoing benefits payable under
42 subsection a. or b., there shall also be paid in one sum to the
43 member's beneficiary, an amount equal to 3 1/2 times final
44 compensation.

45 f. (Deleted by amendment.)

46 g. (Deleted by amendment.)

1 h. In addition to the foregoing benefits, the State shall pay to
2 the member's employer-sponsored health insurance program all
3 health insurance premiums for the coverage of the member's
4 surviving spouse and surviving children.¹

5 (cf: P.L.2003, c.181, s.4)

6
7 ¹3. Section 15 of P.L.1955, c.251 (C.43:15A-49) is amended to
8 read as follows:

9 15. a. Upon the death of a member in active service as a result
10 of:

11 (1) an accident met in the actual performance of duty at some
12 definite time and place, or

13 (2) service in the reserve component of the Armed Forces of the
14 United States or the National Guard in a federal active duty status,

15 and not as the result of his willful negligence, an accidental death
16 benefit shall be payable, if a report of the accident is filed in the
17 office of the retirement system within 60 days next following the
18 accident, but the board of trustees may waive such time limit, for a
19 reasonable period, if in the judgment of the board the circumstances
20 warrant such action.

21 No such application shall be valid or acted upon unless it is filed
22 in the office of the retirement system within five years of the date of
23 such death.

24 b. Upon the receipt of proper proofs of the death of a member on
25 account of which an accidental death benefit is payable, there shall
26 be paid to his widow or widower a pension of 50% of the
27 compensation, upon which contributions by the member to the
28 annuity savings fund were based in the last year of creditable
29 service, for the use of herself or himself and the children of the
30 deceased member, to continue during her or his widowhood; if there
31 is no surviving widow or widower or in case the widow or widower
32 dies or remarries, 20% of such compensation will be payable to one
33 surviving child, 35% of such compensation to two surviving
34 children in equal shares and if there be three or more children, 50%
35 of such compensation will be payable to such children in equal
36 shares. If there is no surviving widow, widower or child, 25% of
37 the compensation upon which contributions by the member to the
38 annuity savings fund were based in the last year of creditable
39 service, will be payable to one surviving parent or 40% of such
40 compensation will be payable to two surviving parents in equal
41 shares. In the event of accidental death occurring in the first year of
42 creditable service, the benefits payable pursuant to this subsection
43 shall be computed at the annual rate of compensation.

44 c. If there is no surviving widow, widower, child or parent, there
45 shall be paid to any other beneficiary of the deceased member his
46 accumulated deductions at the time of death.

1 d. In no case shall the death benefit provided in subsection b. be
2 less than that provided under subsection c.

3 e. In addition to the foregoing benefits payable under subsection
4 b. or c., there shall also be paid in one sum to such member's
5 beneficiary an amount equal to one and one-half times the
6 compensation upon which contributions by the member to the
7 annuity savings fund were based in the last year of creditable
8 service.¹

9 (cf: P.L.1987, c.1, s.2)

10
11 ¹4. N.J.S.18A:66-46 is amended to read as follows:

12 18A:66-46. a. Upon the death of a member in active service as a
13 result of:

14 (1) an accident met in the actual performance of duty at some
15 definite time and place, or

16 (2) service in the reserve component of the Armed Forces of the
17 United States or the National Guard in a federal active duty status,

18 and not as the result of his willful negligence, an accidental death
19 benefit shall be payable, if a report of the accident is filed in the
20 office of the retirement system within 60 days next following the
21 accident, but the board of trustees may waive such time limit, for a
22 reasonable period, if in the judgment of the board the
23 circumstances warrant such action.

24 No such application shall be valid or acted upon unless it is filed
25 in the office of the retirement system within five years of the date of
26 such death.

27 b. Upon the receipt of proper proofs of the death of a member on
28 account of which an accidental death benefit is payable, there shall
29 be paid to his widow or widower a pension of 50% of the
30 compensation, upon which contributions by the member to the
31 annuity savings fund were based in the last year of creditable
32 service, for the use of herself or himself and the children of the
33 deceased member, to continue during her or his widowhood; if
34 there is no surviving widow or widower or in the case the widow or
35 widower dies or remarries, 20% of such compensation will be
36 payable to one surviving child, 35% of such compensation to two
37 surviving children in equal shares and if there be three or more
38 children, 50% of such compensation will be payable to such
39 children in equal shares. If there is no surviving widow, widower
40 or child, 25% of the compensation upon which contributions by the
41 member to the annuity savings fund were based in the last year of
42 creditable service, will be payable to one surviving parent or 40%
43 of such compensation will be payable to two surviving parents in
44 equal shares. In the event of accidental death occurring in the first
45 year of creditable service, the benefits, payable pursuant to this
46 subsection, shall be computed at the annual rate of compensation.

1 c. If there is no surviving widow, widower, child or parent, there
2 shall be paid to any other beneficiary of the deceased member his
3 accumulated deductions at the time of death.

4 d. In no case shall the death benefit provided in subsection b. be
5 less than that provided under subsection c.

6 e. In addition to the foregoing benefits payable under subsection
7 b. or c., there shall also be paid in one sum to such member's
8 beneficiary an amount equal to 1 1/2 times the compensation
9 upon which contributions by the member to the annuity savings
10 fund were based in the last year of creditable service.¹

11 (cf: P.L.1984, c.132, s. 2)

12

13 '[2.] 5.' This act shall take effect immediately 'and be
14 retroactive to June 1, 2008'.